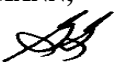




CITY COUNCIL

AGENDA REQUEST

AGENDA OF:	05-05-15	AGENDA REQUEST NO:	III-E
INITIATED BY:	LINDA DRAPP, ADMINISTRATIVE SPECIALIST	RESPONSIBLE DEPARTMENT:	CITY SECRETARY
PRESENTED BY:	GLENDA GUNDERMANN, CITY SECRETARY	DIRECTOR:	GLENDA GUNDERMANN, CITY SECRETARY 
		ADDITIONAL DIRECTOR (S):	N/A
SUBJECT / PROCEEDING:	MINUTES CITY COUNCIL MEETING APRIL 21, 2015 APPROVE MINUTES		
EXHIBITS:	MINUTES APRIL 21, 2015		
CLEARANCES		APPROVAL	
LEGAL:	N/A	ASSISTANT CITY MANAGER:	N/A
PURCHASING:	N/A	ASSISTANT CITY MANAGER:	N/A
BUDGET:	N/A	CITY MANAGER:	ALLEN BOGARD
BUDGET			
EXPENDITURE REQUIRED: \$		N/A	
CURRENT BUDGET: \$		N/A	
ADDITIONAL FUNDING: \$		N/A	
RECOMMENDED ACTION			
Approve the minutes of the April 21, 2015, City Council meeting.			
EXHIBITS			

STATE OF TEXAS §
COUNTY OF FORT BEND §
CITY OF SUGAR LAND §

**CITY OF SUGAR LAND
CITY COUNCIL REGULAR MEETING
TUESDAY, APRIL 21, 2015**

REGULAR MEETING

The City Council of the City of Sugar Land convened in a regular meeting open to the public and pursuant to notice thereof duly given in accordance with Chapter 551, Government Code, Vernon's Texas Codes, Annotated, as amended, in Sugar Land City Hall within said City on Tuesday, April 21, 2015 at 5:30 o'clock P.M. and the roll was called of the members; to wit:

James A. Thompson, Mayor
Himesh Gandhi, Council Member at Large, Position One
Joe R. Zimmerman, Council Member at Large, Position Two
Steve R. Porter, Council Member District One
Bridget R. Yeung, Council Member District Two
Amy L. Mitchell, Council Member District Three
Harish Jajoo, Council Member District Four

QUORUM PRESENT

All of said members were present.

Also present were:
Allen Bogard, City Manager
Glenda Gundermann, City Secretary
Meredith Riede, City Attorney, and
A Number of Visitors

CONVENE MEETING

Mayor James Thompson convened the session, open to the public, to order at 5:31 o'clock P.M.

INVOCATION

Council Member Porter delivered the invocation.

PLEDGE OF ALLEGIANCE

Council Member Porter led the pledge of allegiance to the Flag of the United States of America.

RECOGNITIONS

SERVE SUGAR LAND VOLUNTEERS

Mayor Thompson noted Serve Sugar Land began in 2007 as a means for citizens of Sugar Land and surrounding neighborhoods to become involved in City government through volunteerism. In 2014, over 796 volunteers contributed over 25,250 hours of service to the city equaling over \$570,000.00 of in-kind service donations. Volunteers assisted in the Police and Fire Departments, Animal Shelter, Senior Center, Municipal Court, and various City Hall departments.

The City will host a Volunteer Appreciation event on May 29 and May 31 at Constellation Field for a Sugar Land Skeeters ballgame to recognize and thank volunteers who participated in the program. Special recognition was given to nine individuals for outstanding contributions to the City; each was nominated for Volunteer of the Year by the City Department in which they served.

The City Executive Team selected **Ms. Audrey Christiansen** as the 2014 City of Sugar Land Volunteer of the Year from the list of nine nominees.

SUGAR LAND MARRIOTT TOWN SQUARE

Mayor Thompson introduced Sugar Land Marriott Town Square Customer Service Awards and requested recognition comments from **Mr. Phil Wagner, Public/Private Partnerships Manager, and Ms. Teresa Preza, Tourism and Destination Services Administrator.**

Mr. Wagner stated Sugar Land Marriott opened in 2003 and has been invaluable to the community, serving as a catalyst for surrounding Town Square development and providing 300 nightly rooms and 26,500 square feet of meeting space. The successful public/private partnership between City of Sugar Land, Stormont Trice Development Corporation, and Sugarland Properties served as a catalyst for similar developments in the City, specifically Constellation Field and the upcoming Smart Financial Centre at Sugar Land.

The Sugar Land Marriott Town Square recently earned prestigious top honors from the Marriott brand, ranking as the number one full-service Marriott hotel in Texas, 3rd in the U.S., and 5th among Marriott's 358 hotels worldwide in overall guest satisfaction.

Ms. Preza commented since their opening, Sugar Land Marriott has been the City premiere conference location and a strong partner in the hospitality industry. **Mayor Thompson** presented a proclamation congratulating the Sugar Land Marriott in achieving the Service Excellence Award and acknowledging their slogan "How Sweet It Is", reflecting in their guest experience and pride in having the hotel in Sugar Land.

PUBLIC COMMENT

Mayor Thompson introduced Public Comment and entertained registered speakers. There were no public comments.

REVIEW OF CONSENT AGENDA

Mayor Thompson introduced Review of the Consent Agenda and entertained questions and/or comments.

CONSENT AGENDA

Mayor Thompson introduced III.A) **SECOND CONSIDERATION: CITY OF SUGAR LAND ORDINANCE NO. 2000**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING ABANDONMENT OF OLD IMPERIAL ROAD; III.B) **SECOND CONSIDERATION CITY OF SUGAR LAND ORDINANCE NO. 2004**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING THE 2014 FACILITIES MASTER PLAN UPDATE AS PART OF THE COMPREHENSIVE PLAN OF THE CITY OF SUGAR LAND; III.C) Authorizing annual Software Maintenance Agreement in the amount of \$72,076.00 with SunGard Public Sector for Computer Aided Dispatch and Records Management System (CAD / RMS), April 01, 2015 through March 31, 2016; III.D) Authorizing a Development Participation Agreement in the amount of \$250,261.99 by and between the City of Sugar Land and Fort Bend Levee Improvement District No. 2 for maintenance of 23 storm sewer outfalls; III.E) Authorizing execution of a Contract in the amount of \$148,800.00 with Property Acquisition Services, LLC, for right-of-way acquisition and administration services for State Highway 6 Widening Improvements Phase III, CIP ST1404; III.F) Rejection of bids for Settlers Way Park Improvements Project, CIP PK1402; III.G) Bid evaluation and authorizing execution of a Contract in the amount of \$65,000.52 with Wilson Fire Equipment and Service Company, Incorporated, through General Services Administration (GSA) Cooperative Purchasing Agreement GS-07F-0450K for Police / Courts Building fire alarm system upgrade; III.H) Approval of the minutes of the City Council regular meeting of April 07, 2015.

Following a full and complete discussion, *Council Member Mitchell*, seconded by *Council Member Jajoo*, made a motion to approve the Consent Agenda. The motion carried unanimously.

BONDS

ORDINANCE NO. 2008 - ISSUANCE OF CITY OF SUGAR LAND, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE AND REFUNDING BONDS, SERIES 2015

Mayor Thompson introduced **FIRST AND FINAL CONSIDERATION CITY OF SUGAR LAND ORDINANCE NO. 2008**, AN ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF SUGAR LAND, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE AND REFUNDING BONDS, SERIES 2015; AUTHORIZING REFUNDING OF CERTAIN OUTSTANDING BONDS; AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATING THERETO.

Ms. Jennifer Brown, Director of Finance, stated Fiscal Year 2015 Budget and CIP anticipated the issuance of Utility Revenue Bonds to fund construction projects included in the Budget. The utility fund is self-supporting and the bonds are repaid by water and sewer revenues.

BONDS (CONTINUED)

ORDINANCE NO. 2008 - ISSUANCE OF CITY OF SUGAR LAND, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE AND REFUNDING BONDS, SERIES 2015 (CONTINUED)

Financial Management Policy Statement Guidance

- For the City to issue new revenue bonds, revenues shall be a minimum of:
 - 125% of Average Annual Debt Service
 - 110% of Maximum Annual Debt Service
- City makes annual adjustments to the rate structure in enterprise funds as necessary to support the system operations and maintain the coverage factors well above the minimums

Projects Funded from the Issue

<u>Project Type</u>	<u>Amount</u>
Street & Drainage (utility portion only)	\$ 1,315,000
Water	6,995,000
Wastewater	<u>4,700,000</u>
Amount to Construction	\$13,010,000

Refunding Component

- Series 2006 Revenue Bonds \$3.55 million
 - Callable August 15, 2015 at Par and includes remaining maturities from 2016 to 2026; average coupon on refunding bonds is 4.51%
 - Current Refunding (Delivers within 90 days of Call Date)
 - Estimated Savings of 9.9% of refunded principal as of March 26, 2015

Bond Ratings Affirmed: Fitch AA+ and Standard & Poor's AA+

Presentation of Results

- Bonds sold competitively and bids due 1:00 p.m. April 21
- Seven bids received; range from 2.909% to 3.03%
- Winning bid, Morgan Stanley
- 2.909% True Interest Cost

Staff recommends approval of Ordinance No. 2008 authorizing issuance of \$15.75 million in waterworks and sewer system revenue and refunding bonds; delivery of funds May 21, 2015.

Council Member Zimmerman commented on behalf of the Finance/Audit Committee, the difference in the interest rate reflects a difference in rates between tax-backed debt and revenue bonds.

Following a full and complete discussion, **Council Member Zimmerman**, seconded by **Council Member Gandhi**, made a motion to approve CITY OF SUGAR LAND ORDINANCE NO. 2008, AN ORDINANCE AUTHORIZING THE ISSUANCE OF CITY OF SUGAR LAND, TEXAS, WATERWORKS AND SEWER SYSTEM REVENUE AND REFUNDING BONDS, SERIES 2015; AUTHORIZING REFUNDING OF CERTAIN OUTSTANDING BONDS; AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATING THERETO. The motion carried unanimously.

CONTRACTS AND AGREEMENTS

CITYWORKS COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM FOR PUBLIC WORKS
--

Mayor Thompson introduced consideration on a Contract in the amount of \$194,173.00 with NTB Associates, Incorporated, for implementation of Cityworks Computerized Maintenance Management System for Public Works.

Ms. Dinorah Sanchez, Public Works Administrative Manager, stated Public Works is responsible for responding to citizens' service requests and providing preventive maintenance to City infrastructure and assets; noting tracking of service requests, work orders, and inspections is being done in a variety of ways.

Cityworks is the GIS-centric public asset management solution to perform intelligent and cost-effective inspection, monitoring, and condition assessment. The software logs service requests, generates work orders, and maintains City assets based on key fields. Staff schedules asset maintenance and creates reports with detailed history. The relationship between assets and work orders is tracked and maintained to ensure a completed work order history is viewable and easily retrieved.

In 2014, Cityworks was implemented at the Surface Water Treatment Plant and is utilized for service requests/work orders, scheduling maintenance, reporting detailed history, asset management, and serves as the building block for the citywide asset management program being developed. Public Works currently maintains citizen originated work orders through HEAT and AS400.

The long-term goal is to implement Cityworks within department programs to serve as the central work order system to consolidate processes, improve and continue to deliver superior service; Cityworks provides the opportunity to better manage the aging City infrastructure.

Request for Proposal (RFP) was released November 19, 2014 with key components:

- Configure/implement Cityworks
 - Service requests, work orders, inventory management, inspections, and scheduling and reporting
- Integrate with City GIS
- Import legacy data from HEAT and other modules currently used
- Integrate with third party applications
- Evaluate other third party integrations
- Advise on next steps for implementation
- Train end users

Public Works Divisions covered implementation includes Public Works Administration, Streets & Drainage, Traffic Engineering and Operations, Right of Way Maintenance, Fleet, Facilities, Animal Services, Solid Waste/Environmental Services, Stormwater, and Water Utilities: Administration, Distribution, Production, and Collection.

CONTRACTS AND AGREEMENTS (CONTINUED)

**CITYWORKS COMPUTERIZED MAINTENANCE MANAGEMENT
SYSTEM FOR PUBLIC WORKS (CONTINUED)**

RFP Submittal and Selection

- Two submittals received, evaluated by 5-member committee
- NTB Associates, Incorporated top score based on lower cost and previous experience with similar projects in other cities
 - Provided FacilityID Maintenance Tool, which allows assigning any assets currently in the system with an ID, and in the future with new assets
 - Provides Crystal Reports staff training
- Cost of implementation \$194,173

Cityworks Implementation

- Phase I
 - Public Works Department
 - Estimated completion 6 months
- Phase II
 - Treasury, Community Development
 - Parks & Recreation, Airport, and Permits/Inspections

Staff recommends approval of the contract with NTB Associates for implementation of Cityworks Computerized Maintenance Management System (CMMS).

City Council discussion:

- Is there a technical support component to the contract; Staff stated NTB Associates contract includes one-year continued support.
- Clarification on whether City currently has Cityworks and is adding on CMMS; Staff stated City currently has Cityworks CMMS, but only at the Surface Water Treatment Plant; the goal is to expand the system to other divisions within Public Works and eventually to other departments including on-call service.
- Will the current software HEAT and SunGard be discontinued; Staff stated SunGard will not be discontinued as the software is used for financials, the HEAT system will be discontinued.

Following a full and complete discussion, ***Council Member Gandhi***, seconded by ***Council Member Jajoo***, made a motion to approve a Contract in the amount of \$194,173.00 with NTB Associates, Incorporated, for implementation of Cityworks Computerized Maintenance Management System for Public Works. The motion carried unanimously.

CONTRACTS AND AGREEMENTS (CONTINUED)

TRAFFIC SIGNAL MANAGEMENT / ITS TRAFFIC SIGNAL DETECTION UPGRADE

Mayor Thompson introduced consideration on approving purchase of Valence Pod System from Trafficware Group, Incorporated, in the amount of \$500,000.00 for Traffic Signal Management / ITS Traffic Signal Detection Upgrade Project, TR1503.

CONTRACTS AND AGREEMENTS (CONTINUED)

TRAFFIC SIGNAL MANAGEMENT / ITS TRAFFIC SIGNAL DETECTION UPGRADE

Mr. David Worley, Assistant Director Public Works, stated the City has developed one of the premiere Intelligent Transportation Systems (ITS) in the region, noting ITS makes the transportation networks more efficient, responsive, and smarter.

ITS System Key Components:

- Fiber and 3-Tier Wireless Network - Communications
- Traffic Management Center (TMC)
- Central Management System(CMS) - Software
- ITS Website (new)
 - Support Technology

The City wireless and fiber network allows the 85 traffic signals to send and receive data to the Traffic Management Center (TMC), which receives real-time video for observation; real-time data from every traffic signal, can modify traffic signals remotely, and manage the ITS website which displays real-time traveler information.

The ITS Operations Plan is updated every three years to identify needs to enhance and improve the current systems; a major recommendation of the 2014 Plan was the upgrade of traffic signal detection to provide accurate detection and data capturing capabilities on traffic volumes, speeds, delays.

Several types of detection systems were tested; radar, infrared, new video detection systems, and wireless magnetometers. Wireless magnetometers were chosen as the best solution due to accuracy, data capturing capabilities, and installation flexibility.

Mr. Clyde Neel, Chief Engineer, Trafficware Group, Incorporated stated the Valence Pod Detection System is unique and simple due to structure and deployment, with (3) basic components; wireless sensor embedded into pavement that sends signals to the traffic cabinet, communication radio attached to the pole that communicates with wireless sensor, and base station located within the traffic cabinet interfaces to the traffic controller and back to Traffic Management Center.

Features of the System:

- Lower frequency and gives longer detection range
- Single Omni directional antenna with 360-degree visibility
- Base station allows for easy detector programming

Detection system test site located at S.H. 6 at Fluor Daniel Drive was initially installed in June 2013. After the data test period, the system was expanded to include all Highway 6 lanes in August 2014.

The Valence Pod Detection System was confirmed to perform well in all weather and at necessary distances. Detection pods will be used for counting which reduces cost, the presence accuracy was greater than 98%, and count accuracy was 95%.

CONTRACTS AND AGREEMENTS (CONTINUED)

**TRAFFIC SIGNAL MANAGEMENT / ITS TRAFFIC SIGNAL DETECTION UPGRADE
(CONTINUED)**

Staff stated the unique features are not found in any other product and exhibits the necessary qualities and functionality that City requires.

The introduction of the Valence Pod Detection System begins a 3-year program. There are (3) existing pod locations, (18) key intersections with sensors to gather real time data will be upgraded; the proposed detection upgrades will be along U.S. 90A and S.H. 6.

Staff recommends approval of the sole source purchase of Valence Pod Detection System from Trafficware Group, Incorporated with funding available through CIP TR1503.

City Council discussion:

- Power source for the pods? **Mr. Neel** stated a lithium battery specifically designed for pod use; the battery is designed for 10-year use in the street; the City has a 5-year warranty.
- Anticipated life of the pods? **Mr. Neel** stated the pods are designed for life expectancy in excess of 10 years.
- Has technology been used in other municipalities? **Mr. Neel** stated the pod system has been installed in 80 intersections in different localities around the country.
- How many pods are needed in one intersection? Staff stated the contract includes 675 pods at 18 locations.
- Will additional pods be installed later? Staff stated the ITS Operations Plan is a 3-year process to include all traffic signals.
- Will the pods help to synchronize the timing of traffic lights? Staff stated when the system will help to coordinate signal timing with mobility.

City Council discussion continued on the. **Mayor Thompson** stated mobility is a major issue in the City noting future components of a larger system requires a more comprehensive discussion, and requested a workshop be scheduled to discuss the system in greater detail.

City Manager Bogard stated in 2014, City Council reviewed the updated Traffic Management Plan; staff included implementation of the components in the CIP Plan, and anticipated to be implemented in the City financial planning as the plan recommended.

Following a full and complete discussion, **Council Member Mitchell**, seconded by **Council Member Jajoo**, made a motion to approve purchase of Valence Pod System from Trafficware Group, Incorporated, in the amount of \$500,000.00 for Traffic Signal Management / ITS Traffic Signal Detection Upgrade Project, TR1503. The motion carried unanimously.

RECESS REGULAR MEETING

Mayor Thompson recessed the Regular Meeting, time 7:01 o'clock P.M.

RECONVENE REGULAR MEETING

Mayor Thompson reconvened the Regular Meeting, time 7:12 o'clock P.M.

PUBLIC HEARINGS

STANDARDS OF CARE - RECREATIONAL YOUTH PROGRAMS

Mayor Thompson introduced the Public Hearing to receive and hear all persons desiring to be heard on adoption of Standards of Care for recreational youth programs.

Ms. Kiah Crosby, Recreation Programs Coordinator, stated the adoption of Standards of Care for the day camp program established in 2011, are mandated by the Texas Department of Family and Protective Services. The standards cover childcare licensing and all childcare operations. No changes are required at this time for the policies and procedures regulating the day camp program.

Ordinance No. 2005 delineates the Summer Day Camp as recreational in nature and not licensed by the State of Texas as a certified day care program. The ordinance applies to summer day camp, and does not apply to other recreational programs within the City. A public hearing is required; the Standards are available for public inspection.

The Standards of Care guidelines include staffing ratios, facility requirements, and safety measures. Staffing ratios match or exceed standards for Texas day care facilities; camp counselors undergo background checks and must be CPR and first aid certified.

Mayor Thompson entertained comments from the public; hearing none, the Public Hearing was closed.

**ORDINANCE NO. 2005 – ADOPTING STANDARDS OF CARE
FOR RECREATIONAL YOUTH PROGRAMS**

Mayor Thompson introduced **FIRST CONSIDERATION: CITY OF SUGAR LAND ORDINANCE NO. 2005**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING THE STANDARDS OF CARE FOR THE CITY OF SUGAR LAND PARKS AND RECREATION DEPARTMENT'S RECREATIONAL YOUTH PROGRAMS.

Ms. Kiah Crosby, Recreation Programs Coordinator, stated there were no further comments.

Following a full and complete discussion, *Council Member Mitchell*, seconded by *Council Member Jajoo*, made a motion to pass to second reading **CITY OF SUGAR LAND ORDINANCE NO. 2005**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING THE STANDARDS OF CARE FOR THE CITY OF SUGAR LAND PARKS AND RECREATION DEPARTMENT'S RECREATIONAL YOUTH PROGRAMS. The motion carried unanimously.

PUBLIC HEARING

**REQUEST FOR CONDITIONAL USE PERMIT TO EXPAND
A SECONDARY SCHOOL AND GYMNASIUM**

Mayor Thompson introduced the Public Hearing to receive and hear all persons desiring to be heard on request for Conditional Use Permit to expand a secondary school and gymnasium in conjunction with an existing elementary and secondary school on 2.2238 acres, 2553 Cordes Drive in the General Business (B-2) District.

Mr. Mark Donohue, Senior Planner stated the applicant proposes maximum enrollment of 180 students from grades Pre-K through 12. To the north, south, and west of the project site across Cordes Drive are a variety of commercial buildings and land uses; to the east of the project site is an existing drainage facility.

City Council approved a Conditional Use Permit (CUP) in February 2002 for school expansion to a 12,000 square foot high school building and a 7,900 square foot gymnasium. At that time the school was licensed up to a maximum of 374 students. The buildings were never constructed as part of the 2002 CUP.

To construct the new buildings under the current codes, a new CUP is required.

Overview of Proposed CUP

- Addition of 9,000 square foot High School building north of existing building
 - 2,900 square feet for future classrooms
- Addition of 9,950 square foot Gymnasium west of the building
- 20 additional parking spaces at rear of the site to accommodate proposed expansion
- Pre-K - Sixth grade – 130 maximum students
- Seventh - Twelfth grade – 50 maximum students

Planning and Zoning Commission History

- Commission held public hearing December 9, 2014
- Expressed concerns over:
 - Availability of on-site parking spaces for after school activities and during special events
 - Worker and equipment staging area during construction of buildings
- No persons spoke at the public hearing
- February 26, 2015 Commission unanimously recommended approval to City Council

Parking calculations for existing school and proposed expansion indicate the site will have 25 more parking spaces than required at full build-out. Staging for construction workers and equipment during construction is identified as a 70 foot by 230 foot area. The on-site traffic circulation plan indicates an agreement with adjacent properties for use of shared driveway connections between the sites was approved and recorded as part of the original CUP approval February 2002.

The Engineering Department and Traffic Operations Division reviewed a current Traffic Impact Analysis of the proposed project and determined no major traffic mitigations are required. Staff noted 180 total number of students proposed with the CUP is less than the 374 students in the 2002 approval.

PUBLIC HEARING (CONTINUED)

**REQUEST FOR CONDITIONAL USE PERMIT TO EXPAND
A SECONDARY SCHOOL AND GYMNASIUM (CONTINUED)**

February 2015, the Commission recommended approval with (7) conditions:

- Property developed in accordance with site plan
- Property developed in accordance with elevations
- Site comply with on-site traffic circulation plan
- Gymnasium limited to school related activities including physical education and student assemblies
- School limited to a maximum of 200 students for grades Pre-K through 12
- Gymnasium limited to a maximum of 10,000 square feet
- Gymnasium limited to a maximum seating capacity of 200 persons

All public hearing notification requirements were met. Staff received one informational inquiry from the Levee Improvement District and is not aware of any opposition to the proposed project.

The applicant, *Ms. Elaine Gaskamp, Principal of Trent International School*, stated Trent School goals are to build an upper school facility to provide for joining of the student family into one campus and to construct a gymnasium to provide for inside play in inclement weather and a stage for school plays.

Trent is currently renting space in Missouri City to house 7th through 12th grade which has small classrooms and one open area; currently, the 7th through 12th grades use a kitchen as the science lab. With the proposed CUP the students will have an updated facility and learn with state of the art materials and a space for demonstration materials and lab equipment, and more diversity for a spectrum of experiments. The gymnasium will eliminate the need to rent space and be a place where students can play, practice and exercise, and participate in after school activities. The gym will be used for drama practices and performances and other events.

Mayor Thompson convened the Public Hearing and entertained comments from the public; hearing none, the Public Hearing was closed.

**ORDINANCE NO. 2007 GRANTING CONDITIONAL USE PERMIT TO EXPAND
A SECONDARY SCHOOL AND GYMNASIUM**

Mayor Thompson introduced **FIRST CONSIDERATION: CITY OF SUGAR LAND ORDINANCE NO. 2007**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, GRANTING A CONDITIONAL USE PERMIT TO EXPAND AN EXISTING ELEMENTARY AND SECONDARY SCHOOL IN THE GENERAL BUSINESS (B-2) DISTRICT ON 2.2238 ACRES OF LAND LOCATED AT 2553 CORDES DRIVE.

Mr. Mark Donohue, Senior Planner commented this is a more conservative CUP request than the approved 2002 CUP.

**ORDINANCE NO. 2007 GRANTING CONDITIONAL USE PERMIT TO EXPAND
A SECONDARY SCHOOL AND GYMNASIUM
(CONTINUED)**

City Council discussion:

- Time period to construct before CUP expiration? Staff stated up to two years to construct the initial phase; the high school building will be constructed first; up to five years to complete the second phase.
- Reduction in student count was it a condition imposed by Planning and Zoning Commission or the applicant? Staff stated the original 2002 CUP did not impose a condition for maximum student enrollment; the school was licensed for up to 374 students. Maximum capacity for the gymnasium was a directive received from Planning and Zoning Commission regarding maximum capacity in the gymnasium to serve after school activities.
- Adequate parking for special events? **Mr. Doug Schomburg, City Planner**, stated parking is not planned separately under the Development Code for a stand-alone gymnasium; in this case it is part of the campus. The school complies with the Code and does not anticipate a 200-car condition. If there is an issue, the City will examine and address with the applicant.
- On-site traffic circulation plan for drop-offs/pick-up at peak periods, will access to the adjacent properties be blocked? Staff stated the cross-access will not be blocked and there will be no impediment. **Ms. Gaskamp** stated a joint agreement specifies Karate Studio and Trent will use both driveways when necessary.
- Will gymnasium seating be limited to 200 students? Staff stated there will be a maximum capacity of 200 seats within the gymnasium. The applicant added depending on the size of the student body, the school will schedule staggered events to accommodate the 200-maximum capacity.

Following a full and complete discussion, **Council Member Mitchell**, seconded by **Council Member Zimmerman**, made a motion to pass to second reading **CITY OF SUGAR LAND ORDINANCE NO. 2007**, AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, GRANTING A CONDITIONAL USE PERMIT TO EXPAND AN EXISTING ELEMENTARY AND SECONDARY SCHOOL IN THE GENERAL BUSINESS (B-2) DISTRICT ON 2.2238 ACRES OF LAND LOCATED AT 2553 CORDES DRIVE. The motion carried unanimously.

ORDINANCES AND RESOLUTIONS

RESOLUTION NO. 15-09 – STATEMENT OF INTENT TO INCREASE RATES FILING

Mayor Thompson introduced consideration on **CITY OF SUGAR LAND RESOLUTION NO. 15-09**, A RESOLUTION OF THE CITY OF SUGAR LAND, TEXAS, FINDING THAT THE STATEMENT OF INTENT TO INCREASE RATES FILING BY CENTERPOINT ENERGY RESOURCES CORPORATION D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS (CENTERPOINT) WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY CENTERPOINT; AND SETTING FORTH OTHER PROVISIONS RELATED THERETO.

ORDINANCES AND RESOLUTIONS (CONTINUED)

RESOLUTION NO. 15-09 – STATEMENT OF INTENT TO INCREASE RATES FILING (CONTINUED)

Ms. Eugenia Cano, First Assistant City Attorney, stated on March 27, 2015, Centerpoint Energy Resources Corporation filed a Statement of Intent to Increase Rates with the City and each of the Gulf Coast Coalition of Cities (GCCC) with original jurisdiction. The increase is \$6.77 million annually; 11.3% annual increase in base revenues; 4.5% overall increase excluding cost of gas; and equates to \$1.19 increase per month on residential bill.

Centerpoint Energy Resources Corporation may appeal within 30 days of City Council action, but has requested automatic appeal and consolidation. Appeal will be consolidated with environs case. Centerpoint filed at time it filed with the City. Environs are areas outside cities with original jurisdiction and within cities that have ceded jurisdiction to the Railroad Commission.

The City is a member of the Gulf Coast Coalition of Cities (GCCC) which consists of 31 cities, including City of Missouri City, City of Stafford and City of Rosenberg, which have denied or are scheduled to deny the rate increase.

Staff recommends City Council approval of Resolution No. 15-09 denying the rate increase which will go into effect if no action is taken by April 30, 2015. The City rate and consulting expenses are reimbursable by CenterPoint.

City Council discussion:

- Why would CenterPoint want to reimburse the City rate and consulting expenses? *Mr. Thomas Brocato of Lloyd Gosselink* law firm stated under the law, cities are entitled to recovery of reasonable rate case expenses associated with participation in a rate proceeding.
- Does the act of denying open up the City to any type of exposure litigation? *Mr. Brocato* responded negative. At the appeal level, is there anything higher? *Mr. Brocato* stated affirmative, any aggrieved party from a decision of the Railroad Commission may appeal to a District Court in Austin, commenting overall the majority of cases do settle.

City Council discussion ensued further on the process of the Statement of Intent to Increase Rates filing.

Following a full and complete discussion, *Council Member Zimmerman*, seconded by *Council Member Mitchell*, made a motion to approve **CITY OF SUGAR LAND RESOLUTION NO. 15-09**, A RESOLUTION OF THE CITY OF SUGAR LAND, TEXAS, FINDING THAT THE STATEMENT OF INTENT TO INCREASE RATES FILING BY CENTERPOINT ENERGY RESOURCES CORPORATION D/B/A CENTERPOINT ENERGY ENTEX AND CENTERPOINT ENERGY TEXAS GAS (CENTERPOINT) WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY CENTERPOINT; AND SETTING FORTH OTHER PROVISIONS RELATED THERETO. The motion carried unanimously.

RESOLUTION NO. 15-12 – APPLICATION FOR APPROVAL OF DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES
--

Mayor Thompson introduced consideration on **CITY OF SUGAR LAND RESOLUTION NO. 15-12**, A RESOLUTION OF THE CITY OF SUGAR LAND, TEXAS, FINDING THAT CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC'S APPLICATION FOR APPROVAL OF A DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY CENTERPOINT; AND SETTING FORTH OTHER PROVISIONS RELATED THERETO.

Ms. Eugenia Cano, First Assistant City Attorney, stated this is the distribution cost recovery factor which is the first of its kind to be filed with the City, was allowed by law in 2011, and is an expedited mini rate case. The Public Utility Commission (PUC) must decide the case by September 1, 2015.

The increase is \$16.8 million annually; \$8.865 million increase to residential; \$1.3 million to street lighting; remainder of increase to other customer classes; and \$0.39 increase per month on average residential bill.

CenterPoint may appeal within 30 days of City Council action, but has requested automatic appeal and consolidation. Appeal will be consolidated with environs case. CenterPoint filed at time it filed with the City. Environs are areas outside cities with original jurisdiction and within cities that have ceded jurisdiction to Public Utility Commission.

The City is a member of the Gulf Coast Coalition of Cities. GCCC consists of 31 cities and GCCC cities have denied or are scheduled to deny the rate increase.

Staff recommends City Council approval of Resolution No. 15-12 denying the rate increase which will go into effect on June 5, 2015 if no action is taken. City rate and consulting expenses are reimbursable by CenterPoint.

Mr. Thomas Brocato of Lloyd Gosselink law firm stated City Council has jurisdiction over the matter, and by denying, this allows the case to be consolidated with the proceeding at the Public Utility Commission.

City Council discussion:

- What is the over-earning and what is the threshold? *Mr. Brocato* responded this case is being followed pursuant to a law adopted in 2011 Legislative Session and was in response to utilities' desires to have an expedited rate relief mechanism put into place for distribution rates. One of the provisions that Lloyd Gosselink had included into the bill stated the expedited process is okay but does not want a utility to be able to increase the distribution rates if over-earning. Because CenterPoint is a monopoly provider, the rates can be neither too high nor too low. If too high, the company can be brought in for a rate review and have rates lowered. Lloyd Gosselink determined it was not appropriate for CenterPoint to get a rate increase if the company is earning above its authorized rate of return.

ORDINANCES AND RESOLUTIONS (CONTINUED)

RESOLUTION NO. 15-12 – APPLICATION FOR APPROVAL OF DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES (CONTINUED)

The Commission adopted a rule-making pursuant to the piece of legislation that says “In making that determination, the utility will file an updated Earnings Monitoring Report at the time the DCRF (Distribution Cost Recovery Factor) case is filed”, which CenterPoint did provide numbers for 2014. In addition says, “You will compare that to the authorized rate of return from last rate case. If the last rate case has been over three years ago, then an ROE of 10 will be used and make any adjustments to reflect current costs of debt.” Under CenterPoint numbers, it was demonstrated there is a fairly small amount of under-earnings which allows making this request. Lloyd Gosselink currently has this under review. *Mr. Brocato* commented because of the formula set up in the rule and the statute, there is not a great deal that can be done in these cases.

Following a full and complete discussion, *Council Member Jajoo*, seconded by *Council Member Mitchell*, made a motion to approve **CITY OF SUGAR LAND RESOLUTION NO. 15-12**, A RESOLUTION OF THE CITY OF SUGAR LAND, TEXAS, FINDING THAT CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC’S APPLICATION FOR APPROVAL OF A DISTRIBUTION COST RECOVERY FACTOR TO INCREASE DISTRIBUTION RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY’S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY CENTERPOINT; AND SETTING FORTH OTHER PROVISIONS RELATED THERETO. The motion carried unanimously.

RESOLUTION NO. 15-11 – AMENDING CITY COUNCIL POLICY

Mayor Thompson introduced consideration on **CITY OF SUGAR LAND RESOLUTION NO. 15-11**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE CITY COUNCIL POLICY RELATING TO STAKE SIGNS ON CITY PROPERTY USED AS POLLING PLACES.

Ms. Nicole Solis, Code Compliance Administrator, presented background information stating City Council adopted Resolution No. 09-04 in February 2009 establishing signage regulations for City-owned polling places as shown on map exhibits, and defined areas where signage could be located.

No modifications are being proposed to the policy language; Exhibits C and E have been modified.

Exhibit C: An alternate door is being utilized as the primary entrance at First Colony Athletic Park. The Texas Election Code requires signage to be no closer than 100 feet from the entrance to a polling place. The placement of signage on the property has been adjusted to bring Exhibit C in compliance with State Statute.

Exhibit E: The T.E. Harman Center is no longer utilized as a polling place. Upon completion of the adjacent Imperial Park Recreation Center, polling activities were relocated to the new facility. Exhibit E has been amended to reflect the relocation of the polling place.

RESOLUTION NO. 15-11 – AMENDING CITY COUNCIL POLICY (CONTINUED)
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Staff recommends City Council approval of Resolution No. 15-11 amending Exhibit C and Exhibit E signage placement on City property used as polling places.

Following a full and complete discussion, *Council Member Jajoo*, seconded by *Council Member Mitchell*, made a motion to approve **CITY OF SUGAR LAND RESOLUTION NO. 15-11**, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE CITY COUNCIL POLICY RELATING TO STAKE SIGNS ON CITY PROPERTY USED AS POLLING PLACES. The motion carried unanimously.

CITY COUNCIL CITY MANAGER REPORTS
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CITY COUNCIL REPORTS

Mayor Thompson introduced Community Events Attended or Scheduled.

Council Member Yeung reported attending the Smart Financial Centre task force meeting, Marquee Sign design meeting with the architect, RiverPark HOA meeting, Ribbon Cutting at Telfair Lofts, and the State of Missouri City luncheon.

Council Member Porter reported attending a presentation by Union Pacific Railroad Foundation on donations to non-profits in the Houston area, Sugar Land Heritage Foundation Board meeting, Ribbon Cutting Telfair Lofts, Sugar Land Shred Day, Houston-Galveston Area Council Board meeting, and will attend First Data Ribbon Cutting, and Opening Day for Sugar Land Skeeters.

Council Member Gandhi reported attending the Sugar Land Wine and Food Affair.

Council Member Zimmerman reported testifying before the Senate Finance Committee against Senate Bill 182, the tax rollback bill; attending the Finance Committee meeting, Greater Fort Bend EDC meeting, and TML Region 14 meeting with Council Member Jajoo.

Council Member Mitchell reported attending the Flo Berkman Luncheon; Grand Wine Tasting, Sip & Stroll, & Bistro Brunch; TML Legislative Webinar, Intergovernmental Relations meeting, State of Missouri City Luncheon, and the Grand Opening Telfair Lofts.

Council Member Jajoo reported attending the community meeting for intersection of University Boulevard and Elkins Road.

CITY MANAGER REPORT

City Manager Bogard stated no report.

ADJOURN

There, being no further business to come before Council, *Council Member Zimmerman*, seconded by *Council Member Jajoo*, moved that the meeting adjourn. The motion carried unanimously and the meeting adjourned, time at 8:17 o'clock P.M.

Glenda Gundermann, City Secretary

(SEAL)